

TESTIMONY TO THE COMMITTEE ON COMMERCE  
IN SUPPORT OF HB 5460 AN ACT ESTABLISHING A MODEL PLAN FOR  
EMERGING BIOSCIENCE AND PHARMACEUTICAL BUSINESSES IN  
SOUTHEASTERN CONNECTICUT  
(12 March 2013)

Senator LeBeau, Representative Perone, and members of the Commerce Committee, I am Robert Peitzsch of 8 Merrywood Lane, East Lyme, CT and I am here to testify in support of HB 5460 AN ACT ESTABLISHING A MODEL PLAN FOR EMERGING BIOSCIENCE AND PHARMACEUTICAL BUSINESSES IN SOUTHEASTERN CONNECTICUT.

I am the founder of the start-up bioinformatics and computational systems biology contract research organization, DKP Genomics, LLC, located in East Lyme, CT. Prior to starting DKP Genomics, I worked at Pfizer for over 12 years including as Head of Neuroscience Computational Biology. When Pfizer decided to move their diabetes and neuroscience research units from Groton to Boston, my family and I made the conscious decision not to move because we feel that the quality of life in southeast CT (SECT) is far higher than it is in the Boston area. Currently, my clients range from research institutions to biotech companies outside the state, thus bringing income into the state.

Since leaving Pfizer and starting my own company, I have become involved in the biotech scene in SECT, primarily through the SECT Entrepreneurs and Supporters group started by Jean Schaefer, and the presentations and networking sessions held by the Technology Incubator Program (TIP) at Avery Point. As a result, I have become more aware of the economic development plans coming from Hartford, particularly as they apply to the biotechnology arena.

One thing that I have learned about economic initiatives like Bioscience Connecticut and the Innovation Ecosystem Initiative (IEI) is that they are focused on developing businesses in the Hartford and New Haven areas. Even SECT TECH, the IEI effort that is supposed to help SECT, appears to be focused more on efforts at Storrs rather than on the Groton / New London area. Funding and support for biotechs in this area has come primarily, if not exclusively, from the SECT Enterprise Region (SECTER), government grants, or from the TIP program.

Given the number of small biotech companies in SECT and the strength of the people associated with them, the lack of support, the lack of a coordinated economic plan is astonishing. The biotechnology scene in SECT is more than just Pfizer, which is waning. SECT has a number of growing

biotech companies working in a number of different areas including: detection of fraudulent medicines, bioinformatics and computational systems biology, clinical trial consulting, neuroscience consulting, identification of new uses of medicines, identification of side effects of new medicines, as well as finding new medicines.

So what can be done? The proposed bill is a big step in the right direction.

Having a coordinated effort to help biotech companies, to build pharma – biotech interactions, to build public – private partnerships will give biotechs the support needed to succeed. It could enable pharma (e.g. Pfizer) to create spin-offs if they want.

Here are some ideas that could be considered by the Commissioner of Economic and Community Development:

- 1) One problem encountered by start-ups entering the TIP program is the need for basic laboratory equipment (e.g. centrifuges). Pfizer has a backlog of used equipment generated as they buy new equipment: they try to sell this used equipment on Dove.com with varying degrees of success.

Past attempts to get Pfizer to donate equipment to TIP have focused on the Groton site-head, who has no authority to support local biotechs or to donate equipment. Talking instead to the head of Pfizer, Ian Read, could change this: it would be a win for Pfizer because they could remove this equipment from their tax liability list, and a win for TIP because it could provide this equipment free of charge to start-ups in the TIP program.

- 2) The Jackson Lab's (JAX) new site in Farmington, which will focus on translational science (taking results found in mice and translating them to human to advance the understanding of diseases affecting humans), is an exciting addition to the state.

Last fall I attended a joint UConn / JAX meet-and-greet conference held at Storrs which was very useful and informative. From listening to the talks and from chatting with folks from JAX, it is readily apparent, and they admitted to it, that they do not have all of the expertise needed to do this translational science. However, in SECT there are people and companies that do have this experience.

The problem is that since the academics at JAX would have to pay for these services out of the grants they get from the NIH and elsewhere,

they are reluctant to use these services due to the cost. Thus there is a need to develop a public-private partnership of some type to provide a pool of funds that the academics could draw from to use to work with biotechs located in SECT.

I strongly urge the passage of the bill as it would help small technology businesses in SECT, a region that has been hard hit by the restructuring of Pfizer and the federal budget uncertainties that affect Electric Boat, and has long been ignored by economic development efforts from Hartford.